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WB

International Environmental Intelligence Brief

DCI Environmental Center

Issue 98/3

12 March 1998

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APPROVED FOR RELEASE
DATE: 17-May-2011

DEC IB 98-003

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Kyoto Participants Coming to Grips on Emissions Reductions [REDACTED]

Developed and developing countries are advancing proposals for curbing carbon emissions under the protocol negotiated at Kyoto in December. EU environment and transport ministers this month will meet to discuss a British proposal for a pilot program to introduce cleaner vehicles in 20 EU cities. [REDACTED]

Energy and transport ministers will meet in April to identify ways to achieve emissions cuts. Press reports say British Chancellor Brown will propose a framework for taxing energy products.

- Portugal is examining substitution of natural gas for coal in its electric utility sector, industrial energy conservation, and household energy savings. [REDACTED]

Some developing countries—such as Argentina, Mexico, and Singapore—have expressed a willingness to assume voluntary targets but remain opposed to binding ones.

[REDACTED] Argentina, which in November will host the next major climate negotiations, is trying to revive a provision—which failed in Kyoto—to encourage developing countries to adopt voluntary targets. [REDACTED]

Mexico [REDACTED]

[REDACTED] is interested in voluntary cuts, made easier by emissions trading and joint implementation. As an oil exporter, Mexico says it will have to reduce emissions growth gradually by substituting natural gas for oil, planting forests, improving energy efficiency, and undertaking renewable energy projects.

- Singapore [REDACTED]

[REDACTED] wants to decouple emissions growth from GDP growth and is interested in joint ventures in climate-related technologies. [REDACTED]

Other developing countries have not volunteered cuts but are interested in the Clean Development Mechanism—a vehicle for private sector investment in emissions-reducing projects. Thailand is looking to the CDM for help in shifting to natural gas, a pilot solar power program, and reforestation. Brazil's environment minister is eager for an early meeting with US officials to work out operational details of the CDM, which represents a threat to the Foreign Ministry's traditional control over climate change issues. [REDACTED]

Japan Faces Obstacles to Meeting Greenhouse Gas Cuts Set in Kyoto

Tokyo has begun drafting legislation to encourage domestic energy savings, but a number of problems are likely to delay progress. [] increasing local opposition is jeopardizing plans to activate 20 new nuclear power plants—a centerpiece of Tokyo's initial emission reduction planning—and that key industries are resisting measures that they see as threats to their competitiveness.

- Tokyo press reports say the semiconductor industry is refusing to cooperate with Trade Ministry proposals to set targets for the reduction of fluorocarbons.
- Traditional bureaucratic turf battles are complicating the drafting of legislation as well; MITI and the Environment Agency—the two lead actors on environmental issues—are at odds over how to secure industry compliance with some cuts, according to press reports. []

Tokyo instead is counting heavily on emissions trading and forest management to meet its Kyoto targets []

[] Such programs are attractive because they help strengthen Japan's ties to countries that are important to its foreign policy agenda and promote Japanese business interests.

- MITI has set aside \$20 million to encourage joint implementation projects in Russia and Southeast Asia,

and the government has begun exploring emissions trading schemes with Russia. []

Nonetheless, Tokyo will find it difficult to reverse the steady pace of deforestation and lacks experience in emissions trading. Japanese officials are looking to the US-proposed emissions umbrella group meeting for guidance in this area. []

Environmental Outlook for Cambodia's Tonle Sap

Tonle Sap is in trouble but disagree on the timeframe involved. The British NGO Global Witness, for example, says continued logging in Cambodia at 1.5 million cubic meters per year—the rate in the early 1990s—would result in the total silting up of Tonle Sap by 2023.

Cambodian Government officials say that the danger is less immediate and that there is still time to save the lake.

Tonle Sap would not disappear completely but that it faces severe environmental damage and a fate similar to the Aral Sea.

Slow progress by the Mekong River Commission in the collection of river flow data and modeling is hampering analysis of the effects on Tonle Sap of deforestation in Cambodia and of proposed numerous hydroelectric dams on the Mekong and its tributaries.

Some foreign experts have expressed concern that the proposed dams on the Mekong will hasten Tonle Sap's decline.

Severe environmental degradation of Tonle Sap could have negative consequences for

Cambodia and Vietnam because the lake is the Mekong's primary natural regulator and plays a major role in the region's agricultural and fisheries production.

Tonle Sap accounts directly or indirectly for more than 75 percent of the protein consumption in Cambodia, and changes in its composition could destroy fish spawning areas, migration patterns, and sources of nutrients with potential negative effects on important Vietnamese fishing grounds in the Mekong delta.

- During the wet months, the lake swells from about 2,600 to about 10,500 square km and doubles its depth, a process that acts as a natural flood stabilizer and provides an important source of water for the Mekong and its tributaries during the subsequent dry months.

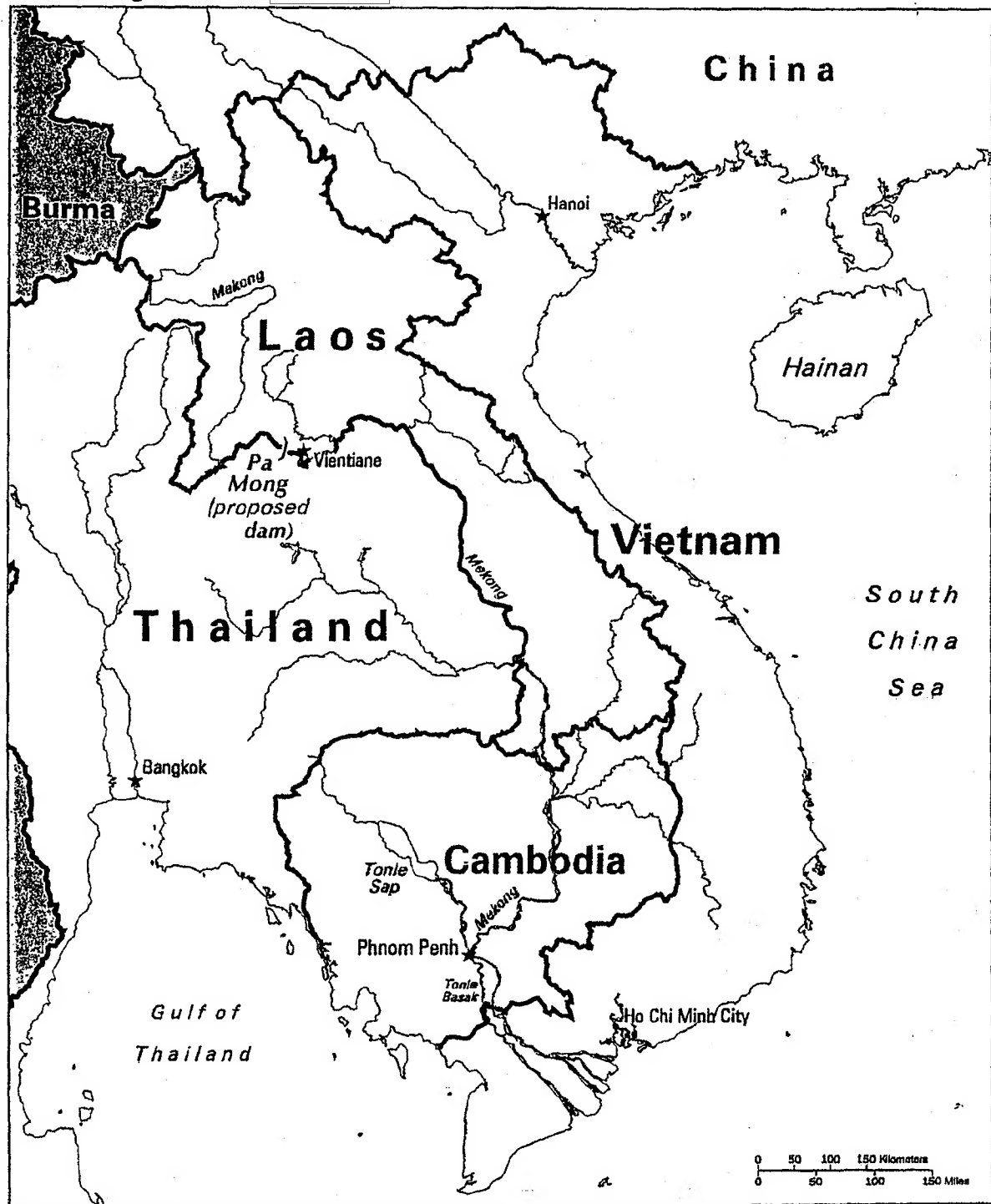
- In addition, Mekong River water flowing into Tonle Sap helps increase the agricultural productivity of Cambodian soil—otherwise the least fertile in tropical Asia.

More than 4 million people (about 40 percent of Cambodia's population)—largely rice farmers and fishermen—live in the seven provinces that surround Tonle Sap and would be affected by environmental damage to this ecosystem. Rice is Cambodia's most important crop, with cultivation concentrated around Tonle Sap and the upper reaches of the Mekong delta.

[redacted] any natural resource development in Cambodia that reduces the quantity or quality of the Mekong-Bassac River flow would be of grave concern to Vietnam. In addition, resource management of the Mekong could be the source of growing friction among the riparian states; the work of MRC has suffered from differences in interest between northern and southern Mekong states and China's lack of participation. [redacted]
[redacted]

- Laos and Thailand, for example, give top priority to water quantity and dam-building, while Vietnam—last in line, water-wise—focuses on water quality and remains skeptical about dam-building efforts.
- Chinese membership and participation in MRC is vital, particularly because Chinese dam construction plans will have direct effects on water levels in Thailand, Laos, Cambodia, and Vietnam. [redacted]

The Mekong River Basin



Unclassified

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Latin America Inching Forward on Sustainable Development Goals

As follow-up to the 1994 Summit of the Americas, Latin America has taken important steps on sustainable development issues. Governments have created networks to share data between the scientific and policy communities and have launched projects to promote renewable energy.

- Brazil has instituted a program that requires environmental impact studies for some federal loans and has enacted a bill that sets fines for environmental crimes.
- Mexico has launched an ambitious program to plant 1.7 billion trees by 2000, and Chile recently began a \$600 million pollution-control project for Santiago.

Prodevelopment politicians and interest groups play to nationalist sentiment by charging that US environmental restrictions on trade are a cover for protectionism that slows economic growth in the developing world, according to press reports.

- Despite paying lipservice to ecological concerns, most politicians in Venezuela and Chile—where extractive industries account for 80 percent of export earnings—are reluctant to adopt more rigorous environmental regulations.
- Weak institutions also are slowing progress—Colombia has had four environment ministers in four years, and press reports say Brazil's Environment Institute is so understaffed that it is unable to collect about 90 percent of fines levied.

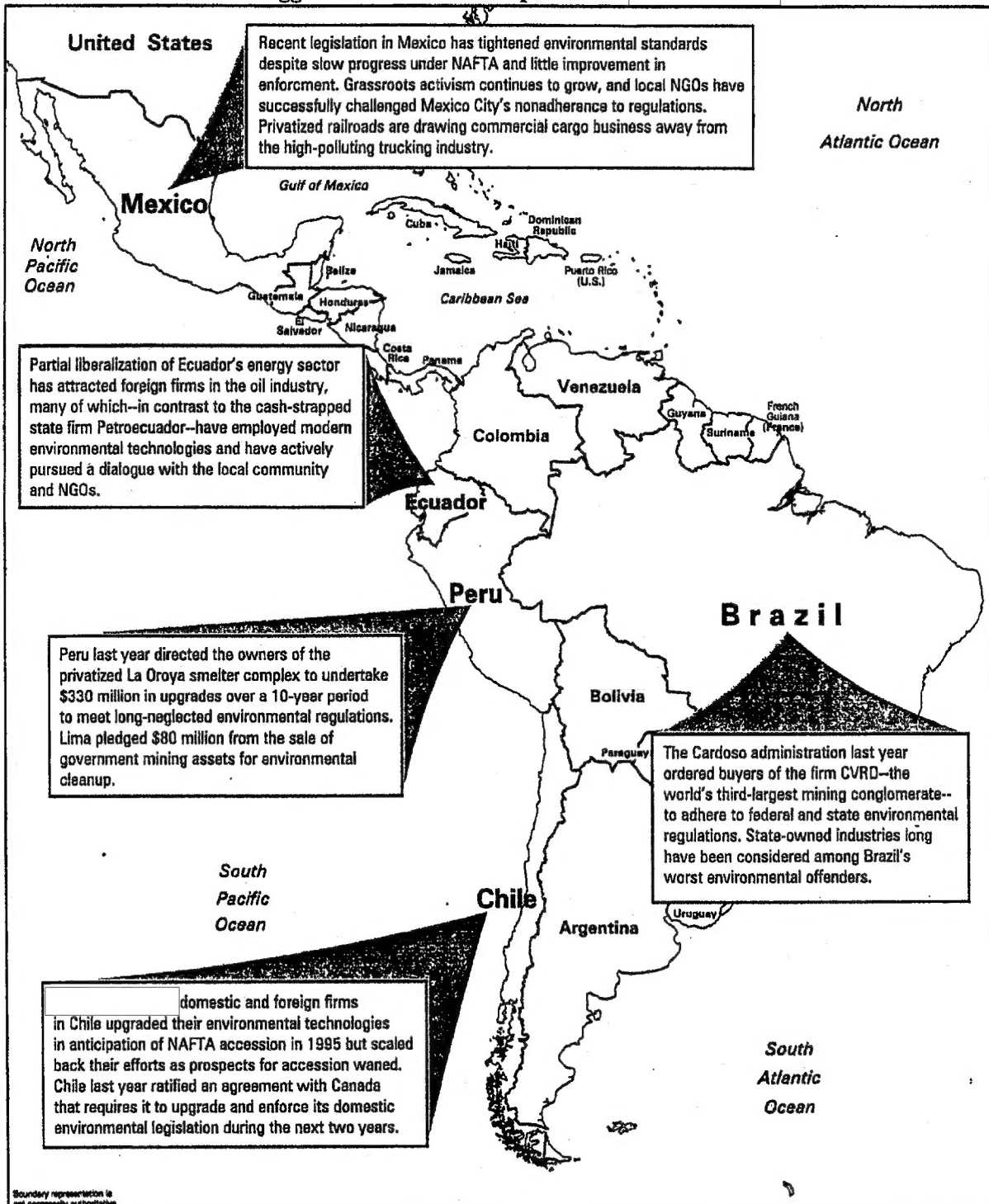
Most South American governments, eager to cooperate with Washington, are looking to move forward this year on climate change issues such as joint implementation and emissions trading. The Latin American market for environmental goods and services could approach \$12 billion by 2000,

but US industry faces stiff competition from European and Japanese firms, which often have access to preferential credit and skillfully adapt their technologies to local conditions.

Politics Complicate Reform Efforts

A widespread perception that environmentalism slows economic development has tempered progress.

Some Market Reforms Trigger Environmental Improvement



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South America: Turning to US as Costs From El Niño Mount [redacted]

El Niño-induced weather problems are the most severe in Bolivia, Colombia, Ecuador, and Peru, [redacted]

The impact of drought so far has been primarily on cash crops—most notably coffee, Colombia's second-largest export earner—but floods have cost several hundred lives throughout the region since October, more than 400,000 people have had to be evacuated, and numerous homes, roads, bridges, and thousands of hectares of crops have been destroyed. [redacted]

- Peru reports 125,000 homes and 60,000 hectares of crops damaged or destroyed as well as extensive damage to transportation infrastructure in 10 of its 24 departments.
- Ecuador estimates \$200 million in lost agricultural output and \$400 million in damage to roads since October, [redacted]

Forewarning of El Niño's potential intensity allowed international coordination of aid and assistance efforts ranging from \$500 million in loans from the World Bank and Inter-American Development Bank to smaller amounts from the EU, the Red Cross, and Spain. Nevertheless, the event has outpaced the capacity of local governments and NGOs to respond.

- NGOs in Peru have requested immediate aid [redacted] for temporary shelter operations, and Ecuadorian officials have requested

any assistance the US can provide, including heavy equipment to help with road systems and medical supplies to deal with disease outbreaks, [redacted]

- Bolivia may request large-scale assistance—an estimated 300,000 farmers have lost more than 50 percent of their subsistence crops to drought, and flooding has caused an additional 90,000 hectares of crop damage. [redacted]

Botswana: Balancing Development and Environmental Protection []

Botswana is dealing with a broad range of environmental problems common to other semi-arid south African countries, including erratic rainfall, rangeland degradation, and desertification. Under its National Conservation Strategy and National Development Plans, Gaborone is trying to integrate sustainable development of the country's resources with protection of the environment.

- [] Botswana has adequate legislation to address environmental protection but lacks the institutional capacity to enforce existing laws. []

The government is eager to maintain its good international reputation as a wildlife-friendly nation—almost 20 percent of the country is designated as national parks or wildlife areas—but Gaborone's main priority is to protect its cattle, []

[] Last year, Botswana had to destroy more than 300,000 cattle to stop an outbreak of cattle lung disease. []

- A reinfection of Botswana's herds this year or next would be viewed by the ruling party as a major political liability in the runup to the 1999 presidential and parliamentary elections. []

The controversy between cattle and wildlife is demonstrated most clearly in Botswana's dispute with Namibia and with NGOs who oppose the so-called veterinary control fences that Gaborone has been building

in recent years along its border in the ecologically sensitive Okavango Delta—one of the world's largest inland wetlands—to protect its cattle from disease. Domestic and international opponents claim that the fences severely impede the area's herds of migratory elephants, giraffes, zebras, wildebeest, and other animals in their seasonal search for water and grazing lands, []

- One international NGO predicts that elephant herds could decline by 40 to 80 percent if their seasonal migrations continue to be disrupted, and others warn that increased cattle grazing in the delta area is putting additional pressure on local wildlife.
- The government wants a compromise with Namibia and is considering proposals by Windhoek, NGOs, and eco-tour operators that it realign and dismantle the fence in some areas or place openings along key migratory routes. []

Also at issue in the Okavango Delta is a plan by Namibia to build a 250-kilometer pipeline to draw up to 20 million cubic meters of water from the Okavango River that will reduce the amount of water flowing into the Delta. Tour operators and conservationists argue that the Rundul-Grootfontein pipeline will adversely affect the fragile wetland ecology of the Delta and increase the number of conflicting demands on the area's already scarce water resources.

- The pipeline project, however, needs the approval of regional governments and probably will be delayed until several conditions are met. The 1994 OKACOM Agreement—created by the Okavango Commission, comprising Angola, Botswana, and Namibia, and funded by the UN Development Program—requires that all projects affecting the Okavango basin complete Environmental Impact Assessments and have the consent of all parties in order to proceed. [redacted]

[redacted] under the government's Eighth National Development Plan (NDP8) announced last year, Gaborone plans to expand its lucrative eco-tourism sector while at the same time refocusing agricultural and land use policies to improve sustainable income in rural communities, increase anti-poaching measures, and address overgrazing and soil degradation.

- Tourism is one of Botswana's fastest growing sectors, contributing roughly 16 percent of GDP, according to open sources, with the Okavango Delta and wildlife safaris being the country's biggest draws for foreign visitors. [redacted]

Many international environmental agencies and NGOs, including the UN Environment Program, the World Wildlife Fund for Nature, and Conservation International, are helping Botswana improve its capacity to implement conservation measures and manage its natural resources. In 1997 the EU launched a multimillion dollar Tourism Development Programme in Botswana and is assisting the local Okavango Wildlife Society in its efforts to monitor wildlife and promote conservation programs in the delta. [redacted]

Botswana actively participates in regional environmental initiatives such as the SADC mining program that promotes region-wide standards of environmental protection and that is preparing a regulatory framework for mining operations, according to press reports. Botswana is a signatory to several international environmental treaties, including the Convention on International Trade in Endangered Species, the Ramsar Convention on Wetlands, and the UN Convention to Combat Desertification; the Kalahari Desert covers roughly 84 percent of the country. [redacted]

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Selected International Environment-Related Meetings

<i>Date</i>	<i>Forum</i>	<i>Venue</i>
23 March	EU Environment Ministers Meeting	Brussels
4-5 April	G-8 Environment Ministers Meeting	Leeds
13-24 April	Sixth Session of the UN Commission on Sustainable Development. Focus on Water	New York
18-19 April	Summit of the Americas	Santiago
4-15 May 1998	Conference of Parties to the Convention on Biodiversity	Bratislava
15-17 May	G-8 Summit	Birmingham
18-22 May	Eighth Meeting of Parties to the UN Convention on the Law of the Sea	New York
22 May-30 September	1998 Lisbon World Exposition (EXPO '98) Theme: The Oceans, a Heritage for the Future.	Lisbon
6-12 June	Subsidiary Bodies of the Climate Change Convention	Bonn
23-25 June	Fourth Environment For Europe Ministerial	Aarhus
30 June	First Global POPs Negotiating Session	Geneva
July	Independent World Commission on Oceans	Lisbon
29 November-12 December	Second Conference of Parties to the Convention to Combat Desertification	Dakar
1-3 September	APEC Senior Officials Meeting on Environment	Singapore
November	Tenth Conference of Parties to the Montreal Protocol	Cairo
2-13 November	Fourth Conference of Parties to the Climate Change Convention	Buenos Aires

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